APPENDIX A

HISTORY OF RELEVANT PROGRAM LEGISLATION, REGULATIONS, AND COURT DECISIONS

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Introduction

In this appendix, we summarize the history of program legislation, regulations, and court decisions of direct relevance to individuals eligible for SSA programs between 1976 and 1996. In previous work, we have analyzed how the availability and relative value of benefits through other programs, such as state and local GA, AFDC, and Medicaid, influence the decision of individuals to apply for disability benefits (Lewin, 1995c). The programs discussed below include SSI, DI, AFDC/TANF, Medicaid, Food Stamps, and GA.[1] The discussion highlights the major changes in these programs. ***Appendix Exhibit A.6***, at the end of this Appendix, provides a more comprehensive list and description of legislative, regulatory, and court decisions between 1977 and 1996 affecting the eligibility criteria and benefit levels of these programs.

Supplemental Security Income (SSI)

While the purpose of the SSI disability program, namely to provide a safety net to disabled individuals without a sufficient work history to qualify for DI, has been the same since the program's inception in 1974, the program has been subject to numerous legislative, administrative, and court actions over the last twenty years. These actions have focused primarily on the defining of disability. In addition, Congress has enacted major SSI work incentives in an attempt to move some recipients back into the workforce.

Beginning in the mid-1970s and continuing into the early 1980s, SSA's disability programs underwent substantial administrative tightening that sought to develop more uniformity in disability determinations. One major change was a reliance on more "objective criteria" (e.g., matches between medical evidence in an applicant's file to criteria in medical listings) to determine disability. In 1979, SSA published regulations structured to facilitate a more objective assessment of an applicant's residual functional capacity (RFC) and vocational factors (age, education, and work experience) in determining ability to work. These regulations relied primarily on physical requirements of jobs and resulted in increased uniformity by requiring a finding of disability or no disability based on specified combinations of RFC and vocational factors. Because these regulations focused primarily on physical requirements of jobs, they were not well suited to assess the ability to work for persons with mental impairments.

In addition to the changes in the disability determinations over this period, SSA changed its policy for benefit terminations in continuing disability reviews (CDR) by state DDS. Prior to 1976, SSA followed a general policy of only terminating disability benefits when the beneficiary no longer met current disability criteria and exhibited signs of medical improvement. In 1976, however, SSA changed this policy by no longer requiring proof of medical improvement before terminating benefits. Over the period from 1975 to 1978, the rate of cessation decisions on continuing reviews by state agencies increased from approximately 16 to 50 percent.

The Social Security Disability Amendments of 1980 (PL 96-265) continued the trend of tightening the disability adjudication and review process. Most importantly for SSI recipients,

[1] We could have also included a summary of changes in the Medicare program in our descriptions below, but despite being subject to many legislative and administrative changes over the past twenty years, the vast majority of changes in Medicare have dealt with financing and program services and not eligibility issues. We limit our discussion of changes in the Medicare program to those that are directly related to DI eligibility (Section III.B).

the 1980 amendments required that SSA conduct "pre-effectuation" reviews of state DDS allowances of disability benefits before benefits were first paid as well as CDRs every three years for beneficiaries unless their disability had been determined to be permanent.[2] The legislation also established two key work incentives. First, it created section 1619 of the Social Security Act that authorized a three-year demonstration project allowing for the payment of special SSI benefits (and the retention of Medicaid coverage) for SSI recipients who lose Federal SSI eligibility because they have earnings above substantial gainful activity (SGA).[3] Second, it permitted the deduction of impairment related work expenses (IRWEs) from earnings when determining if an SSI beneficiary is engaging in SGA. One additional provision of the 1980 amendments that specifically affected aliens was the requirement that SSA consider the income and resources of immigration sponsors of aliens applying for SSI in determining eligibility for, benefits and the amount of, payment. This requirement applied for three years after an alien's admission to the United States. [4]

In response to concerns that federal disability policy had become overly restrictive, Congress enacted the Disability Reform Act of 1984 (PL 98-460). PL 98-460 instituted several reforms to relax the disability adjudication process for new applicants and the CDRs process for those already enrolled in SSI. The legislation also required that SSA and state DDS agencies weigh the combined effects of an individual's multiple impairments when making a disability determination. Furthermore, after several court challenges and resistance from states on CDRs, the legislation reversed SSA's 1976 policy and established a medical improvement standard for CDRs requiring proof of a beneficiary's medical improvement and his or her ability to work. The legislation also ordered the development of new mental impairment standards and placed a moratorium on CDRs of people with mental impairments until revised criteria were published.[5] Finally, the legislation raised the limit on countable resources for SSI recipients over a period of five years.

In the late 1980s and early 1990s, the trend towards a less restrictive disability policy continued as a series of actions transformed the disability determination process for children. First, the Omnibus Budget Reconciliation Act of 1989 (PL 101-239) established a permanent outreach program for disabled and blind children. Second, in February 1990, the U.S. Supreme Court, *Sullivan v. Zebley* rules against SSA's policy of holding children to a stricter definition of disability than adults. As a result of this decision, SSA instituted regulations in February 1991 requiring children who did not meet or equal the medical listings to undergo a second stage evaluation, called an "individualized functional assessment" (IFA). SSA used IFAs for children

[2] The pre-effectuation reviews were only a statutory requirement for DI, but committee report language suggested that SSA conduct similar reviews of SSI cases. This law specified that SSA review 35 percent of allowances in the first year, 50 percent in the second year and 65 percent of all state agency allowances in subsequent years.

[3] Section 1619 program, was administratively extended for one year in 1983 and legislatively extended in 1984 through 1987. The Employment and Opportunities for Disabled Americans Act (PL 99-463) made the program permanent, with substantial modification, in 1986.

[4] This provision did not apply to persons who became blind or disabled after admission, refugees, or persons granted political asylum.

[5] The revised mental impairment criteria were published in 1985. These new criteria were passed in response to a widely held belief that the existing regulations did not adequately measure the ability of someone with a mental impairment to perform SGA in a typical work environment.

to determine the severity of their impairment and the associated limitations.[6] Third, SSA released new regulations in December 1990 that expanded the mental impairment listings for children to include additional developmental, behavioral, and emotional disorders (e.g. Attention Deficit Disorder). The regulations also revised determination procedures to more uniformly define how SSA considers mental impairments in children and the evidence that can be used by a claimant to demonstrate such an impairment. Finally, in 1992, SSA changed the way parental earnings were deemed as income for children in a way that reduced the amount deemed in many cases. The effect was to expand non-medical eligibility criteria and increase the value of the benefit for some families.[7]

The Social Security Independence and Program Improvement Act of 1994 (PL 103-296) included the last major changes in SSA policy before 1996. This legislation reversed the 10-year trend of expanding SSI eligibility criteria. Most notably, the Act placed significant restrictions on DI and SSI payments to individuals whose drug addiction or alcoholism was material to the finding of disability. The legislation also marked a return to stricter congressional requirements concerning the performance of CDRs by mandating that SSA conduct CDRs for a minimum of 100 thousand SSI recipients in fiscal years 1996, 1997, and 1998.

In addition to these legislative and court changes from 1976 to 1996, the Secretary of Health and Human Services made changes to the definition of "substantial gainful activity" (SGA).[8] From 1977 to 1980, there were relatively modest changes in SGA, as it increased annually by $20 from $240 to $300. In 1980, coinciding with the general tightening of disability policy, SGA was frozen at $300 and remained unchanged for the next ten years. Finally, in 1990, SGA was increased from $300 to its current level of $500.[9]

Social Security Disability Insurance

Many of the changes affecting SSA's definition of disability described above also affected the DI program. This is particularly true in respect to the administrative tightening -- allowing terminations without medical improvement and the standardization of the disability adjudication process -- that took place from the mid-1970s through the early 1980s. Hence, we limit our discussion here to program changes that specifically affected DI, but not SSI.

The major changes that affected DI, but not SSI, were made in the Social Security Disability Amendments of 1980. In addition to those changes affecting both SSI and DI discussed above, this legislation sought to decrease the attractiveness of DI benefits relative to work by limiting the maximum value of DI benefits, limiting the benefits for young disabled workers, and providing several work incentives. The work incentives for DI included the establishment of an expanded period of eligibility allowing automatic re-entitlement to DI benefits within 15 months of the end of the trial work period if an individual stopped performing SGA and transitional

[6] Individualized functional assessments were developed to judge whether a child has an impairment that limits their ability to pursue age-related activities (e.g., school).

[7] Hannsgen and Sandell (1996) find that this more generous treatment of income significantly increased the amount of payments and the number of children on SSI.

[8] The Secretary of Health and Human Services has specific regulatory authority to prescribe the criteria for determining when labor earnings demonstrate an individual's ability to engage in SGA.

[9] SGA levels are calculated as the net of labor income after deducting IRWEs.

Medicare coverage for up to 24 months for medically disabled individuals whose DI eligibility ended because they engaged in SGA.[10]

Between 1984 and 1996, Congress and SSA made only modest modifications to the DI program. These changes included: an expansion of the extended period of eligibility from 15 to 36 months (1987); the creation of a five-year trial work period for all DI beneficiaries (1990); an increase in the portion of all Social Security benefits subject to income tax (1993); and the placement of significant restrictions on DI payments to individuals whose drug addiction or alcoholism was material to the finding of disability (1994).

AFDC/TANF

Between 1977 and 1996, both the federal and state governments sought to balance the goals of providing a safety net for families and reducing dependency by encouraging work and decreasing the relative attractiveness of AFDC. At the center of this effort were three key pieces of federal legislation: the Omnibus Reconciliation Act of 1981 (OBRA-1981) (PL 97-35), the Deficit Reduction Act of 1984 (DEFRA-1984) (PL 98-369), and the Family Support Act of 1988 (FSA-1988) (PL 100-485). The primary provision of OBRA-1981 was the establishment of a gross income limit for eligibility equal to 150 percent of a state's AFDC need standard. OBRA-1981 also tightened many of the earned income disregards used in determining eligibility and calculating payment amounts. DEFRA-1984 mitigated some of OBRA-1981's changes by increasing the gross income limit to 185 percent and expanding some of the earned income disregards. Finally, FSA-1988 instituted several reforms to encourage work. These provisions included: the establishment of the Job Opportunities and Basic Skills (JOBS) Program; the provision of transitional childcare and Medicaid for families who leave AFDC because of increased earnings, hours of work, or loss of earnings disregards; and expanded income, work-expense, and child care disregards. In addition, FSA-1988, mandated that states implement an Unemployed Parent (AFDC-UP) program to provide benefits for a minimum of six months per year to two parent families.[11]

Over this period, the generosity of maximum family AFDC benefits across-states varied greatly. For example, in 1994, the maximum AFDC benefit amount for a family of three ranged from $120 (Mississippi) to $612 (Vermont).[12] Further, the changes in the maximum AFDC benefit over time have varied across-states. For example, from 1979 to 1994 the maximum AFDC benefit for a family of three in Massachusetts increased by $242, whereas in Idaho the maximum benefit decreased by $6. In past work, we have found strong evidence that changes in state program participation parameters have a large impact on AFDC participation (Lewin, 1997).

Further differences across state AFDC programs arose over this period as many states started using federal waivers to experiment with their AFDC program. States could propose plans to the Secretary of Health and Human Services for experimental program changes in which some federal requirements were waived if these changes furthered the goals of the AFDC system.

[10] Similar to SSI work incentives, the work incentives in this legislation also included the deduction of IRWEs from earnings in establishing whether a beneficiary is engaging in SGA

[11] Many states, however, provided benefits for the entire year and states with 12-month programs before October 1, 1990 were required to continue 12-month programs under FSA-1988.

[12] Benefit levels were actually higher in Alaska ($923) and Hawaii ($468).

Examples of some of the changes that states made under these waivers include work requirements and time-limited benefits. Some waivers were issued that ran experimental programs in a small number of counties within a state, whereas other waivers were issued for statewide changes.

Food Stamps

The current structure of the Food Stamp program is largely a result of legislative changes in 1977. Prior to 1977, the program required that participants purchase food stamp coupons. The difference between the price paid by participants and the face value of the coupons was known as the "bonus value." The Food Stamp Act of 1977 significantly reformed the Food Stamp program by eliminating the purchase requirement and providing households with only the bonus portion of their coupon allotments. The 1977 legislation also eliminated some and limited and/or combined other deductions used in calculating countable income, established the federal poverty guidelines as the eligibility limits, and required that AFDC and SSI households meet asset and income tests.

In general, the structure of the Food Stamps program was relatively stable between 1977 and 1996, though there were three changes, one of which specifically impacted persons with disabilities, that affected program eligibility and benefit levels. The first change was made through OBRA-1981 with the establishment of gross income eligibility limits. The gross income eligibility limits significantly reduced the total number of individuals who were income eligible for Food Stamps. The second change, which directly impacted persons with disabilities, was made in 1985 through PL 99-198 as the program definition of disability was extended beyond individuals receiving federal SSI or DI payments to include people receiving certain veterans' benefits, State SSI payments, government or railroad disability benefits, and people awaiting disability determinations for SSI, DI, or state disability payments. A third change was made to the Food Stamp program in OBRA-1993 (Mickey Leland Act of 1993) that expanded food stamp coverage, particularly for families with children, by increasing a series of income deductions (summarized **in Appendix *Exhibit A.6***).

Medicaid

The most significant changes in federal legislation involving Medicaid occurred between 1984 and 1990.[13] Beginning with the Deficit Reduction Act of 1984 (PL 98-369), federal legislation has authorized a series of mandatory and optional eligibility expansions to State Medicaid. These expansions have generally targeted at specific low-income populations, especially pregnant women, children, and low-income Medicare beneficiaries referred to as Qualified Medicare Beneficiaries -QMB. Perhaps the most significant of these actions was the phased-in coverage of all children whose family income is below 100 percent of the federal poverty level, authorized by the Omnibus Budget Reconciliation Act of 1990 (PL 101-508). Federal legislation has also encouraged experimentation with benefit packages and service delivery through the authorization of demonstration projects and program waivers. Together these efforts have made

[13] There were also some major changes over this period in state laws that had differential impacts on Medicaid across states.

Medicaid coverage available to millions of individuals, many who might have potentially applied for SSI and/or AFDC/TANF benefits.

State General Assistance (GA)

There have been large changes in the eligibility requirements and benefit levels of state and local GA programs over the past twenty years. While it is difficult to measure the effect of changes in local GA programs because of the large number of these programs, Lewin (1997*)* and Uccello, et al. (1996) have identified numerous changes in states where steps have taken to reduce GA caseloads. The state GA changes that these reports identified as resulting in the most substantial decrease in participation include:

- the elimination of Michigan's GA program in 1991;
- the cutback of Ohio's GA program in 1992 and the eventual elimination of Ohio's program for able-bodied adults in 1995;
- the cutback of Pennsylvania's GA program in 1983 and the eventual elimination of Pennsylvania's program for able-bodied adults and families in 1996;
- the cutback of Indiana's and Illinois's GA programs in 1987 and 1992, respectively;

Environmental factors relevant to Changing caseloads

While the program changes from 1976 to 1996 described in Sections II through VII had a large impact both within programs and across programs, it has been demonstrated that demographic and macroeconomic changes significantly influenced caseload size in SSA and non-SSA related programs relevant to our evaluation (see for instance Lewin ,1997; Lewin, 1995b). Demographic changes in the growth and aging of the population at-risk for participation in SSA and non-SSA programs has varied over time. For example, in evaluating AFDC caseloads from 1979 to 1994, Lewin (1997) finds that the population most at-risk for AFDC participation was high during the early 1980's, but declined throughout the rest of the period because the baby boom generation was moving out of the "at-risk" age of AFDC participation and being replaced by the much smaller post-boom cohorts. Further, this report finds changes in marital composition and increases in marital births also impacted the size of the population at risk for these programs. Similarly, Lewin (1995) finds that changes in the size and age distribution of the working-age population had significant impacts on caseload growth in both DI and SSI from 1988 to 1992. Any evaluation of the impacts of changing caseloads will need to account for changes in the demographic composition of individuals who will be "at-risk" for participation, particularly as the baby boom cohort moves closer to the retirement age.

In addition to these demographic changes, macroeconomic changes in the business cycle have significant impacts on caseload size in SSA and non-SSA related programs. In particular the reports on AFDC, DI and SSI mentioned above all find large expansions in these caseloads during periods of economic downturns. The presumable reason is that declines in job opportunities reduce the opportunity cost of program participation. In designing the evaluation, it will be very important to distinguish changes in caseloads due to policy changes from changes

due to economic changes. It may be, for instance, that the presumably positive impact of AFDC/TANF policy changes on SSI caseloads are currently being substantially offset by the growing economy.

Program Trends

In this section, we track caseload trends in SSI, DI, AFDC, Food Stamps, and Medicaid from 1976 to 1996 highlighting major programmatic and macroeconomic changes that will inform our analysis on pre-reform changes. While we measure program participation based on caseloads to be consistent across programs, in our previous work on SSI and DI we found that new allowance (and applications) were a better measure of participation because of the asymmetry between program exit and entry. We use the unemployment rate to measure fluctuations in the business cycle. We highlight programmatic changes described in Sections II through VII by year of program change.

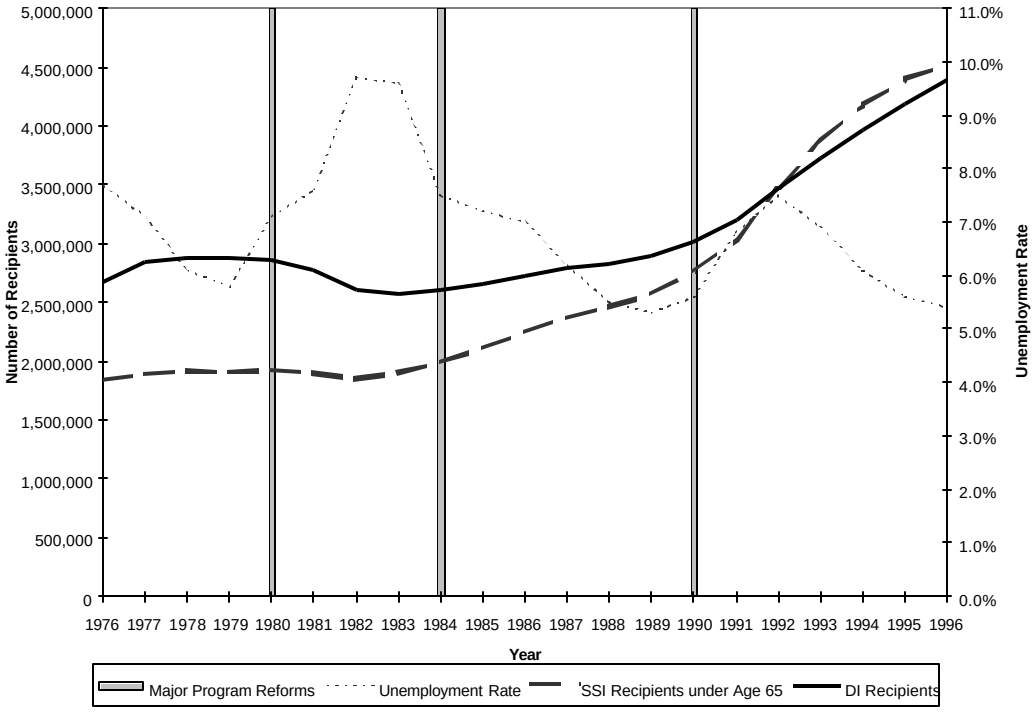
Although we expect that caseload trends in several of these programs will be influenced by either programmatic and/or macroeconomic changes, there are several other factors that we do not control for in this trend analysis that also influence caseload size. For example, as mentioned in Section VIII, changes in the demographic composition of the population can influence caseload size across programs. Further, some programmatic changes may coincide with macroeconomic changes which create a mixed response in overall caseload changes. Therefore, while the trends that we track below are sometimes suggestive of the influence of specific programmatic and macroeconomic changes on caseload size, a much more critical analysis would be needed to separate the effects of multiple factors that influence caseloads in each program.

A. SSI and DI[14]

In **Appendix *Exhibit A.1***, we jointly track the caseload trends of SSI and DI recipients aged 65 and under from 1976 to 1996.[15] We simultaneously follow the trends of SSI and DI caseloads because these programs were affected by almost all of the same policy changes. The major program changes that we highlight in Exhibit A.1 include the Social Security Disability Amendments of 1980, Disability Reform Act of 1984, and the changes in the SSI children's program that occurred from 1990 to 1991. We find that SSI and DI caseloads are sensitive to these program changes and, to a lesser extent, changes in the unemployment rate. Overall, from 1976 to 1996 the number of SSI recipients has nearly tripled from 1.8 million to 4.5 million, though much of this growth has occurred over the last ten years. Over this same period, the number of DI recipients has grown by 64 percent from 2.7 million to 4.4 million, but, similar to SSI, much of this growth has also occurred in the past decade.

[14] Caseload trends for SSI and DI are based on statistics published in SSA (1997b).
[15] Caseloads are as of December in each year.

Appendix Exhibit A.1
Caseload Trends of SSI and DI from 1976 to 1996[1]



1. SSI caseloads only includes individuals under the age of 65

SSI

In the period of tighter disability policy that started in the late seventies and extended into the early eighties, SSI growth was stagnant. Prior to 1978, the number of SSI recipients had grown every year since the inception of the program in 1974. Between 1978 and 1982, however, the number of SSI recipients fell slightly from 1.9 million to 1.8 million. This decrease occurred in spite of the economic recession of 1980-82 during which the unemployment rate increased from 7.1 percent to 9.5 percent.

In the mid-eighties, disability policy was expanding following changes from the Disability Benefits Reform Act of 1984. Following these program changes, the number of SSI recipients expanded rapidly from 2.0 million in 1984 to 2.6 million in 1989 despite a fall in the unemployment rate from 7.5 percent in 1984 to 5.3 percent in 1989.

In the nineties, there were large expansions in SSI caseloads coinciding with the expanding disability policy and economic downturn. From 1990 to 1992, a period in which the unemployment rate was growing from 5.6 percent to 7.5 percent, the number of SSI recipients increased from 2.8 million to 3.5 million. Even as the unemployment rate began to fall from 1992 to 1996, the number of SSI recipients continued to expand from 3.5 million to 4.5 million as the program changes from 1990 and 1991 were being fully implemented.

Within the population of SSI recipients, we are particularly interested in the trends of specific groups of SSI recipients affected by the SSA reforms, namely children, legal aliens, drug addicts and/or alcoholics. From 1976 to 1996, each of these groups grew at a very rapid rate, though much of this growth for each group has taken place in the past decade. In the years following the *Zebley* decision and the issuing of the new SSA listings of mental impairments for children, the number of SSI children increased by over 250 percent, growing from 265 thousand in December 1989 to over 955 thousand in December 1996. The number of legal aliens receiving SSI payments on the basis of age or disability has also grown--particularly since the enactment of the Immigration Reform and Control Act of 1986 that allowed many previously illegal aliens to become legal aliens between 1986 and 1995, the numbers of legal aliens receiving SSI benefits increased from 264 thousand to 785 thousand. Finally, the number of individuals receiving SSI disability payments on the basis of their drug addiction or alcoholism being material to the finding of disability increased from approximately 17 thousand in 1989 to over 130 thousand by the end of 1995.[16]

DI

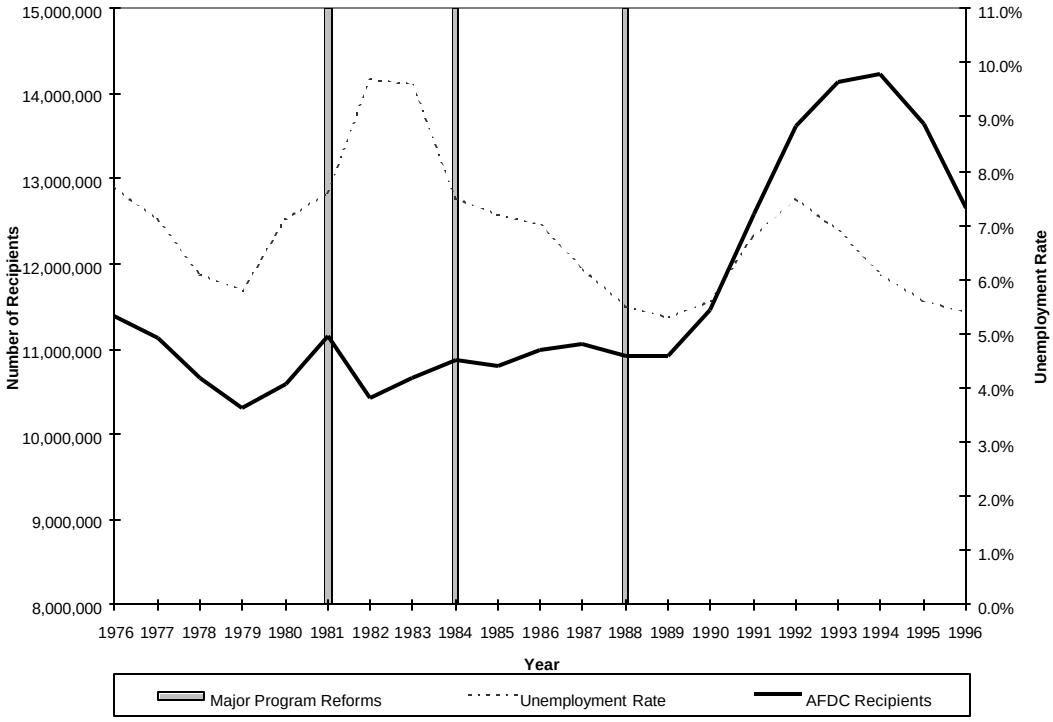
DI participation trends between 1976 and 1996 followed a very similar pattern to SSI. Between 1978 and 1983, the number of DI recipients, which had grown every year since the inception of the program in 1957, fell from 2.9 million to 2.6 million. Similar to SSI trends, this decrease was concurrent with changes in SSA disability policy that tightened the definition of disability, and occurred in spite of the economic recession of 1980-82. Also similar to SSI trends, the number of DI recipients increased in the period of expansionary disability policy following the Disability Benefits Reform Act of 1984, to over 3 million in 1990. DI participation accelerated during the early 1990s in conjunction with the higher unemployment rates produced by the recession of 1990-91. Despite a considerable decline in the unemployment rate between 1992 and 1996, the total number of DI recipients continued to grow, reaching nearly 4.4 million in 1996.

B. AFDC/TANF[17]

In **Appendix *Exhibit A.2***, we examine trends in the number of AFDC recipients (including parents and children) from 1976 to 1996. The major program changes that we highlight in Appendix Exhibit A.2 include OBRA-1981, DEFRA-1984, and FSA-1988. From 1976 and 1996, the number of AFDC recipients increased from approximately 11.4 million to 12.6 million. While the overall growth in AFDC caseloads was relatively modest from 1976 to 1996, particularly compared to growth in disability programs, there was substantial variation in AFDC participation over this period.

[16] Barber (1996).
[17] AFDC trends based on U.S. Department of Health and Human Services (1998).

Appendix Exhibit A.2
AFDC Recipients, 1976 to 1996[1]



1. AFDC caseloads includes parents and children

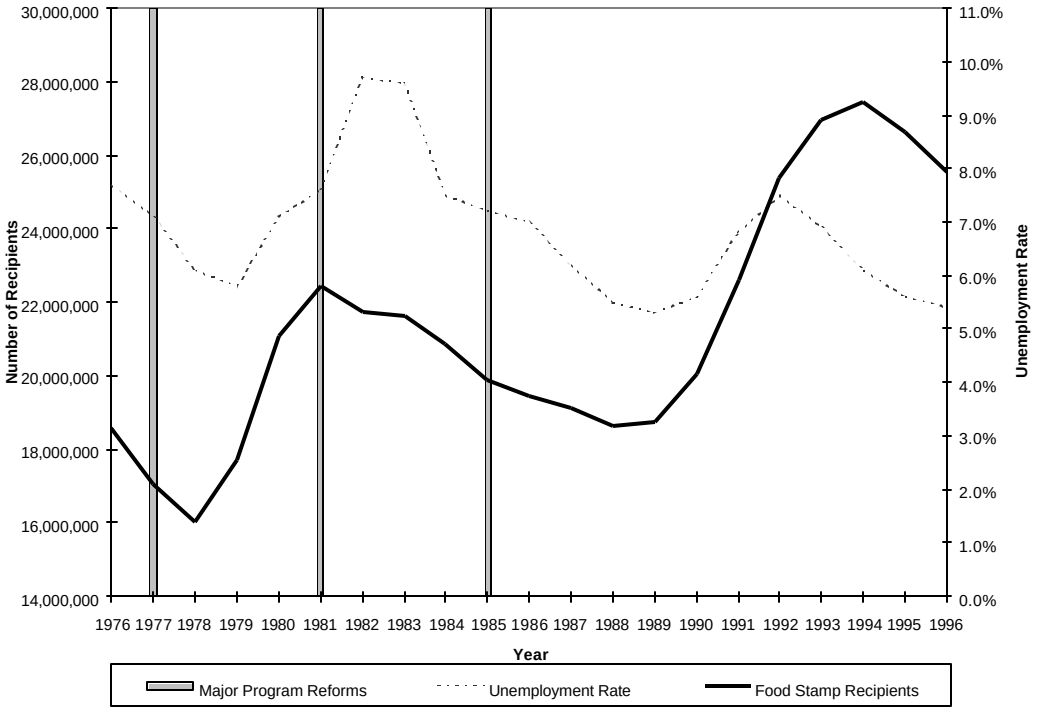
From 1976 to 1989, overall AFDC recipients dropped slightly from 11.4 million to 10.9 million, but there were some fluctuations over this period. From 1976 to 1979, the number of AFDC recipients nationwide declined from 11.4 million to 10.3 million, coinciding with a drop in the unemployment rate from 7.7 percent to 5.8 percent. As the unemployment rate began increasing in 1980, the number of recipients began to rise, peaking at nearly 11.2 million in 1981. In 1982, the year following the passage of OBRA-1981, the number of recipients declined to 10.4 million despite a period high unemployment rate of 9.7 percent. Between 1982 and 1989, changes in DEFRA-1984 reversed some of the effects of OBRA-1981, as the number of AFDC recipients gradually increased to 10.9 million recipients despite a constantly declining unemployment rate throughout the period.

Relative to the fluctuations in AFDC recipients from 1976 to 1989, the fluctuations in the nineties were very large. From 1989 to 1994, the number of AFDC recipients grew very quickly from 10.9 million recipients to over 14.2 million recipients. The start of this growth coincided with an increasing unemployment rate and the implementation of the provisions of FSA-1988. Although the unemployment rate began to decrease in 1992, it still remained above its 1990 level of 5.6 percent until 1994. During this period, AFDC participation continued to increase. As the unemployment rate continued to decrease throughout 1995 and 1996, the number of AFDC recipients fell rapidly to 12.6 million in 1996. As of September 1997, caseloads for TANF had fallen to 9.8 million recipients.

C. Food Stamps[18]

In **Appendix *Exhibit A.3***, we examine trends in the number of Food Stamp recipients from 1976 to 1996. The major program changes that we highlight in Exhibit A.3 include the Food Stamp Act of 1977 and OBRA-1981. From 1976 to 1996, the number of Food Stamp recipients grew from 18.6 million to 25.5 million. The largest growth over this period occurred in the nineties.

Appendix Exhibit A.3
Food Stamp Recipients, 1976 to 1996



From 1976 to 1988, the number of Food Stamp recipients grew slightly from 18.6 million to 18.7 million, though there were some fluctuations in the Food Stamp caseload that closely corresponded with the unemployment rate and the two major program changes. From 1976 to 1978 there were large reductions in the Food Stamp caseloads concurrent with changes in the Food Stamp Act of 1977 and a decreasing unemployment rate. Over this period monthly participation in the Food Stamp program fell from 18.6 million to 16.0 million, while the unemployment rate fell from 7.7 percent to 5.8 percent. Participation began increasing in 1979 and reached a monthly average of 22.4 million in 1981. Following the enactment of OBRA-1981 and despite an increasing national unemployment rate, average monthly Food Stamp participation dropped by over 700 thousand people to 21.7 million people in 1982. Participation continued to decline from 1982 to 1988 as the unemployment rate fell from 9.7 percent to 5.3 percent.

The number of Food Stamp recipients grew rapidly in the late eighties and early nineties, but the growth in caseloads stopped when economic conditions began to improve in 1994. Not

[18] Food Stamp Program trends are based on statistics published in SSA (1997b).

surprisingly, the fluctuations in Food Stamp caseloads that occurred in the nineties mirrored those of AFDC caseloads, because a large portion of AFDC recipients also receive Food Stamps. From 1988 to 1994, Food Stamp participation rates increased by almost fifty percent from 18.6 million to 27.4 million. From 1994 to 1996, as the unemployment rate fell from 6.1 percent to 5.4 percent, the number of Food Stamp recipients fell from 27.5 to 25.5 million recipients. Food stamp participation had dropped to 20.3 million individuals by January 1998.

D. Medicaid[19]

In **Appendix *Exhibit A.4***, we examine trends in the number of Medicaid recipients from 1976 to 1996. The one major change that we highlight in Exhibit A.4 is OBRA-1990, which significantly expanded Medicaid eligibility for low income families. In general, the trends in Medicaid before 1990 reflect trends in the SSI and AFDC programs, because many Medicaid recipients are either SSI or AFDC recipients.

Appendix Exhibit A.4
Medicaid Recipients, 1976 to 1996

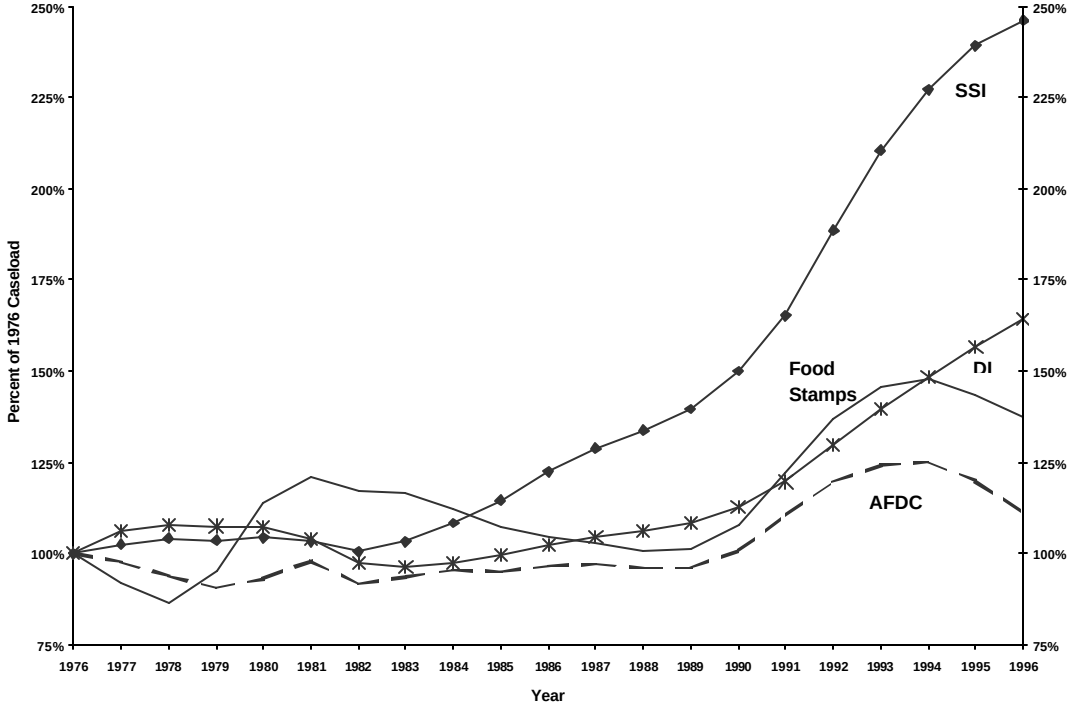
From 1976 to 1996, the number of Medicaid recipients increased from 19.2 million to 31.8 million. The majority of these increases occurred in the nineties. Between 1976 and 1989, the number of Medicaid recipients under the age of 65 increased from 19.2 million to just under 20.4 million. After the changes in Medicaid following OBRA-1990 and concurrent with large expansions in SSI and AFDC caseloads, the number of recipients increased from 22.0 million to 31.8 million.

[19] Medicaid trends are based on statistics published in SSA (1997b).

E. Comparison of Caseload Trends

In **Appendix *Exhibit A.5***, we compare SSI, DI, AFDC, and Food Stamps caseload trends. We developed a uniform scale to make these comparisons because there are large differences in caseload size across programs. [20] We scale caseload totals in each program by creating a ratio of annual caseloads to 1976 caseloads; a ratio of less than 100 percent indicates that the caseload for that year was below the 1976 caseload.

Appendix Exhibit A.5
Comparison of Caseload Trends for SSI, DI, AFDC, and Food Stamps [1]



1. SSI caseloads only includes individuals under the age of 65 and AFDC caseloads includes parents and children. Annual caseloads totals in each program are scaled by creating a ratio of annual caseloads to 1976 caseloads

The comparison of trends in Appendix Exhibit A.5 provides an indication of the differences in caseload growth patterns of SSA programs versus AFDC and Food Stamps. In general, SSI and DI caseloads have consistently grown each year, with the exception of the early eighties. In comparison to caseloads in 1976, the 1996 SSI caseload was more than twice as large and the DI caseload was more than 1.5 as times large. AFDC and Food Stamp caseloads, however, have had more fluctuations over this period, many of which, as described above, were responses to macroeconomic and policy changes.

One reason for the differences in caseload movements of SSA programs in comparison to AFDC and Food Stamps is due to the asymmetry of program entry and exit. Program entry in AFDC and Food Stamps is relatively easy compared to SSI and DI and the length of program stay for

[20] For example, in 1976 the total SSI caseload was 1.8 million, whereas the Food Stamp caseload was 18.6 million.

AFDC and Food Stamps is typically much shorter than for SSI and DI. Because AFDC and Food Stamp caseloads are comprised of relatively more individuals who stay on the program for a short period of time relative to SSI and DI, there are more fluctuations. Recognizing these differences in caseload fluctuations due to asymmetry of program entry and exit are very important to an analysis of program participation.

Appendix Exhibit A.6

Major Legislation and Reforms Affecting Eligibility and Benefits in Federal and State Social Insurance and Assistance Programs, 1977-1996

Legislation	Provisions
SSI	
1976	• **Excluded value of home from calculation of countable resources regardless of value of home.**
1976	• **Terminations without medical improvement**
1976	• **SGA set at $230**
1977	• **Excluded food stamps, federally donated food, and the value of free or reduced price food for women and children under the Child Nutrition Act and National School Lunch Act from calculation of countable unearned income.**
1977	• **SGA set at $240**
1978	• **SGA set at $260**
1979	• **Increased reasonable value for automobile to $4,500 and reasonable value for personal goods and household effects to $2,000 of equity value.**
1979	• **Regulations comparing residual functional capacity (RFC) and vocational factors (age, education, and work experience).**
1979	• **SGA set at $280**
Social Security Disability Amendments of 1980 (PL 96-265)	• **Established a three-year demonstration project authorizing special SSI benefits under section 1619 and retention of Medicaid for disabled SSI recipients who lose Federal SSI eligibility because of earnings above SGA. (Initial law in effect from Jan 1., 1981 – Dec. 31, 1983. Demonstration project was extended administratively through Dec. 31, 1984.)** • Established remuneration received in sheltered workshops and work activity centers as a type of earned income and, allowed workers earning such income to qualify for earned income disregards. • Permitted the deduction of impairment related work expenses (IRWEs) from earnings when determining if an individual is engaging in SGA. IRWEs were excluded in calculating income for benefit purposes if initial eligibility for benefits existed on the basis of countable income without applying IRWEs. • Reinstated EITC as a type of earned income. (Not included: 1975-1980.) • Required the consideration of the income and resources of the immigration sponsors of aliens applying for SSI in determining eligibility for and the amount of payment. Requirement was effective for three years after admission to U.S., but did not apply to those who became blind or disabled after admission, to refugees, or to persons granted political asylum. • Eliminated the "deeming" of parental income and resources to children aged 18 to 20. • Established an SSDI offset (by reduction of retroactive SS benefits) to prevent persons whose initial SSDI payment is retroactive from receiving more in total benefits for the same period than if they were paid the benefits when regularly due. • Required that unless an SSI recipient's disability is permanent, the individual should undergo a continuing disability review every 3 years. • Determined that SSI applicants and recipients are not required as a condition of eligibility to elect to receive VA pensions
1980	• **SGA set at $300**
Omnibus Budget Reconciliation Act of 1981 (PL 97-35)	• **Changed reference period for income, resources, and other criteria used in determining eligibility and benefit amount from a calendar quarter to a month.**

Appendix Exhibit A.6 (Continued)

Major Legislation and Reforms Affecting Eligibility and Benefits in Federal and State Social Insurance and Assistance Programs, 1977-1996

Legislation	Provisions
SSI (continued)	
Social Security Amendments of 1983 (PL 98-21)	• **Allowed payments to residents of public emergency shelters for the homeless for up to 3 months in any 12-month period.** • Allowed for the disregard of support and maintenance provided in kind by a non-profit organization or in cash or in kind by certain providers of home energy when determining countable income if the State determines that the assistance is based on need. • Allowed for the exclusion of certain home energy assistance payments from countable income if a State agency certified that the assistance is based on need.
Disability Benefits Reform Act of 1984 (PL 98-460)	• **Required that the combined effects of an individual's multiple impairments be weighed when making the disability determination.** • Established a medical improvement standard and allowed for the termination of DI and/or SSI benefits if there is substantial evidence that a person's medical condition has improved and that he or she is able to work. • Ordered the development of new mental impairment standards and placed moratorium on mental impairment reviews until revised criteria were published. (Revised criteria were published in 1985.) • Required that evidence provided by a claimant's own physician be considered prior to the results of an SSA consultative examination. • **Extended special SSI benefits and retention of Medicaid for disabled SSI recipients who lose Federal SSI eligibility because of earnings above SGA under section 1619 through June 30, 1987.** • Expanded SSDI offset provision to allow for reduction of retroactive SSI benefits and to apply in cases of SSDI benefit reinstatement. • Raised the limit on countable resources by $100 a year for individuals and $150 a year for couples, beginning in calendar year 1985-1989. Individual limit increased from $1,500 to $2,000, and limit for couples increased from $2,250 to $3,000 between 1985 and 1989.
Employment Opportunities for Disabled Americans Act (1986) (PL 99-463)	• **Made permanent and simplified the provisions of section 1619 allowing for special SSI benefits and retention of Medicaid for disabled SSI recipients who lose Federal SSI eligibility because of earnings above SGA.**
Budget Reconciliation Act of 1987 (PL 100-203)	• **Allowed payments to residents of public emergency shelters for the homeless for up to 6 months in a 9-month period.**
Omnibus Budget Reconciliation Act of 1989 (PL 101-239)	• **Established a permanent outreach program for disabled and blind children.** • Waived the SSI income and resource deeming rules in the case of severely disabled chidden who were eligible for SSI while in a medical institution and who qualify for Medicaid under a State home care plan. • Required that property used in a person's trade or business, or in the employment of a family member, be excluded when determining the equity value of a personal property.
Sullivan v. Zebley decision (1990)	• As a result of this decision, SSA instituted regulations in February 1991 requiring children who did not meet or equal the medical listings to undergo a second stage evaluation, called an "individualized functional assessment," to determine the severity of their impairment and the associated limitations.

Appendix Exhibit A.6 (Continued)

Major Legislation and Reforms Affecting Eligibility and Benefits in Federal and State Social Insurance and Assistance Programs, 1977-1996

Legislation	Provisions
SSI (continued)	
Omnibus Budget Reconciliation Act of 1990 (PL 101-508)	• Liberalized the treatment of certain income by disregarding certain expenses and payments, including EITC, in determining SSI eligibility and/or benefits. • Authorized the exclusion of IRWEs in determining initial eligibility as well as benefit amounts for both Federal and State supplemental payments. • Modified section 1619, including the authorization of CDRs for section 1619 recipients once every twelve months. • Required formation of procedure for a concurrent application for SSI and Food Stamp Programs. • Required that SSA notify parents of children receiving of retroactive payments under *Sullivan v. Zebley* that the family may be able to place the payments in a trust fund for the child. • **Extended the period during which a person applying on the basis of disability who meets all other criteria and is awaiting a disability determination (presumptive period of eligibility) may receive payment from 3 to 6 months.**
1990	• SGA set at $500
Revision of Mental Impairment Listings for Children (1991)	• Expanded the mental impairment listings for children to include additional developmental, behavioral, and emotional disorders.
Omnibus Budget Reconciliation Act of 1993 (PL 103-66)	• Extended period of sponsor-to-alien deeming of income and resources from three to five years.
Social Security Independence and Program Improvement Act of 1994 [Alternate Title: Social Security Administrative Reform Act of 1994] (PL 103-296)	• Placed restrictions on DI and SSI payments to individuals whose drug addiction or alcoholism was material to the finding of disability: ➢ Limited payments to 36 months after the first month for which treatment is available. ➢ Required payment suspensions for individuals who did not comply with treatment requirements. ➢ Required gradual payments of retroactive benefits. ➢ Strengthened representative payee requirements giving preference to social service, Federal, State, and local agencies. ➢ Required the establishment of referral and monitoring agency contracts. • Required SSA to perform CDRs for a minimum of 100,000 SSI recipients in fiscal years 1996, 1997, and 1998 and for one-third of all SSI recipients between the ages of 18 and 19 • Continued Medicaid under section 1619(b) for an individual whose Social Security cost-of-living increase would otherwise render them ineligible for Medicaid because of excess unearned income.
SSDI	
Social Security Amendments of 1977 (PL 95-216)	• **Replaced Average Monthly Wage (AMW) calculation Average Indexed Monthly Earnings (AIME) calculation and established a new methodology for calculating a beneficiary's Primary Insurance Amount (PIA). New formula provided a stable relationship between one's benefit and pre-eligibility earnings. Effective January 1, 1979.** • Mandated that workers in covered employment receive one quarter of coverage (up to four per year) for each $250 of annual wages.

Appendix Exhibit A.6 (Continued)

Major Legislation and Reforms Affecting Eligibility and Benefits in Federal and State Social Insurance and Assistance Programs, 1977-1996

Legislation	Provisions
SSDI (continued)	
Social Security Disability Amendments of 1980 (PL 96-265)	• Permitted the deduction of impairment related work expenses (IRWEs) from earnings when determining if an individual is engaging in SGA. IRWEs were excluded in calculating income for benefit purposes if initial eligibility for benefits exists on the basis of countable income without applying IRWEs. • Limited family benefits in disability cases to the lesser of 85 percent of AIME or 150 percent of PIA, but no less than 100 percent of PIA. • Required that in the computation of benefits for workers disabled before the age of 47, the dropout years be reduced from five years to a range of one to four years, depending on the worker's age and child care dropout years. • Required that unless a DI recipient's disability is permanent, the individual should undergo a continuing disability review every 3 years. • Required that the SSA review state agency disability benefits allowances and granted the SSA the power to reverse allowances. • Provided continued Medicare coverage for up to 24 months after the termination of DI eligibility to medically disabled recipients whose DI eligibility ended because they engaged in SGA. • Established expanded period of eligibility allowing for the automatic re-entitlement to DI benefits within 15 months of the end of the trial work period if an individual stops performing SGA.
Omnibus Budget Reconciliation Act of 1981 (PL 97-35)	• **Eliminated benefits for post-secondary students.** • Required termination of mother's and father's benefits when youngest non-disabled child reaches age 16. Mother's and father's benefits continued until youngest child reaches age 18 if youngest child has a disability.
Social Security Amendments of 1983 (PL 98-21)	• **Established SSDI coverage for federal elected officials, political appointees, new federal employees, and all non-profit employees.** • Established partial benefit offset for individuals receiving pensions from non-covered employment. • Made the lesser of one-half of Social Security or one-half of income over $32,000 for couples filing jointly, or $25,000 for individuals, subject to income taxation.
Disability Benefits Reform Act of 1984 (PL 98-460)	• **Required that the combined effects of an individual's multiple impairments be weighed when making the disability determination.** • Established a medical improvement standard and allowed for the termination of DI and/or SSI benefits if there is substantial evidence that a person's medical condition has improved and that he or she is able to work. • Required that evidence provided by a claimant's own physician be considered prior to the results of an SSA consultative examination. • Ordered the development of new mental impairment standards and placed moratorium on mental impairment reviews until revised criteria were published. (Revised criteria were published in 1985.) • **Authorized continuation of DI benefits and Medicare eligibility during appeal for all CDR cases through ALJ level through December 1987.**
Omnibus Budget Reconciliation Act of 1986 (PL 99-509)	• **Eliminated requirement that the annual rise in the CPI must exceed 3 percent in order for a cost-of-living adjustment to be paid to Social Security beneficiaries.**

Appendix Exhibit A.6 (Continued)

Major Legislation and Reforms Affecting Eligibility and Benefits in Federal and State Social Insurance and Assistance Programs, 1977-1996

Legislation	Provisions
SSDI (continued)	
Omnibus Budget Reconciliation Act of 1987 (PL 100-203)	• Authorized continuation of DI benefits and Medicare eligibility during appeal for all CDR cases through ALJ level through December 1988. • Expanded extended period of eligibility for automatic re-entitlement to DI benefits from 15 to 36 months beyond the end of the trial work period if an individual stops performing SGA.
Technical and Miscellaneous Revenue Act of 1988 (PL 100-647)	• Authorized continuation of DI benefits and Medicare eligibility during appeal for all CDR cases through ALJ level through December 1989. • Authorized payment of interim benefits to individuals whose cases have received a favorable decision from an administrative law judge but whose cases have been under review by the Appeals Council for more than 110 days.
Omnibus Budget Reconciliation Act of 1989 (PL 101-239)	• Authorized continuation of DI benefits and Medicare eligibility during appeal for all CDR cases through ALJ level through December 1990.
Omnibus Budget Reconciliation Act of 1990 (PL 101-508)	• **Made permanent the continuation of DI benefits and Medicare eligibility during appeal for all CDR cases through ALJ level.** • Made children adopted after the onset of disability eligible for benefits. • Established definition of disability for disabled widow(er)s equal to that for disabled workers. • Created a rolling five-year trial work period for all disabled beneficiaries. • Codified suspension of dependents' benefits when a disabled worker is in an extended period of eligibility.
Omnibus Budget Reconciliation Act of 1993 (PL 103-66)	• **Made up to 85 percent of Social Security benefits subject to the income tax for recipients whose income plus one-half their benefit exceed $34,000 (single) and $44,000 (couple).**
Social Security Independence and Program Improvement Act of 1994 [Alternate Title: Social Security Administrative Reform Act of 1994] (PL 103-296)	• Placed restrictions on DI and SSI payments to individuals whose drug addiction or alcoholism was material to the finding of disability: ➢ Limited payments to 36 months after the first month for which treatment is available. ➢ Required payment suspensions for individuals who did not comply with treatment requirements. ➢ Required gradual payments of retroactive benefits. ➢ Strengthened representative payee requirements giving preference to social service, Federal, State, and local agencies. ➢ Required the establishment of referral and monitoring agency contracts.

Appendix Exhibit A.6 (Continued)

Major Legislation and Reforms Affecting Eligibility and Benefits in Federal and State Social Insurance and Assistance Programs, 1977-1996

Legislation	Provisions
AFDC/TANF	
Omnibus Budget Reconciliation Act of 1981 (PL 97-35)	• Established gross income limit at 150% of State need standard. • Capped the deduction for childcare at $160 per child per month. • Set a standard deduction for other work expenses of $75 per month for full-time workers. • Eliminated the work incentive disregard for working recipients after their first four months of work. • Established resource limit of $1,000, home and one auto disregarded • Authorized the inclusion of the earned income tax credit advance amount in individual's earned income. • Required that a child must be under age 18 or, at State option, under age 19 and a full-time student who is expected to complete his or her secondary education to be eligible for benefits. • Authorized payments to families on the basis of unemployment only when the parent who is the principal earner is unemployed • Allowed payment to pregnant women under certain circumstances • Required the consideration of the income and resources of the immigration sponsors of aliens applying for AFDC in determining eligibility for and the amount of payment. Requirement was effective for three years after admission to U.S., but did not apply to those who became blind or disabled after admission, to refugees, or to persons granted political asylum. • Required that an individual over the age of 15 and not enrolled in an elementary, secondary, or vocational school must make themselves available for employment or employment-related services.
Deficit Reduction Act of 1984 (PL 98-369)	• Raised gross income limit to 185 percent of State need standard. • Extended $30 plus one-third of remaining monthly earnings disregard to a period of twelve months. • Extended $75 work expense disregard to part-time workers. • Established a disregard for the first $50 per month of child support payments. • Allowed States to disregard the income of an AFDC child who is a full-time student. • Declared aliens ineligible for assistance for three years from date of entry unless the sponsoring agency is no longer in existence. • Authorized the counting of the EITC amount only when actually received. • Required States to include in the filing unit the parents and all minor siblings (but not any SSI recipient) living with a dependent child who applies for or receives AFDC. • Extended Medicaid coverage for a period of four months to dependent children and adult relatives who become ineligible for AFDC as a result of the collection of child or spousal support
Omnibus Budget Reconciliation Act of 1987 (PL 100-203)	• Made permanent the disregard for needs-based support and maintenance assistance.

Appendix Exhibit A.6 (Continued)

Major Legislation and Reforms Affecting Eligibility and Benefits in Federal and State Social Insurance and Assistance Programs, 1977-1996

Legislation	Provisions
AFDC/TANF (continued)	•
Family Support Act of 1988 (PL 100-485)	• Instituted Job Opportunities and Basic Skills (JOBS) Training program. • Required all States to implement Unemployed Parent (AFDC-UP) program. New programs could have time limits. • Guaranteed transitional childcare and Medicaid for families who leave AFDC because of increased earnings, hours of work, or loss of earnings disregards. • Increased work expense disregard and dependent care disregard • Required disregard of EITC payments. • Required provision of and/or reimbursement of certain work-related supportive services.
Omnibus Budget Reconciliation Act of 1990 (PL 101-508)	• Modified penalties for not participating in the JOBS program • Eliminated deeming rule for legal guardians. • Modified foster care and adoption provisions. • EITC payments are excluded as income when determining a family's eligibility under the 185 percent gross income limit
Omnibus Budget Reconciliation Act of 1993 (PL 103-66)	• Stepparent earned income disregard raised to $90.
Medicare	
Social Security Disability Amendments of 1980 (PL 96-265)	• Provided continued Medicare coverage for up to 24 months after the termination of DI eligibility to medically disabled recipients whose DI eligibility ended because they engaged in SGA. • Eliminated second Medicare waiting period if a former disabled-worker beneficiaries who become entitled again within five years and former disabled widows or adult disabled children who become entitled again within seven years.
Tax Equity and Fiscal Responsibility Act of 1982 (PL 97-248)	• Required Federal employees to begin paying the Medicare HI tax and earn eligibility for HI coverage.
Social Security Amendments of 1983 (PL 98-21)	• Required employees of nonprofit organizations to begin paying the Medicare HI tax and earn eligibility for HI coverage.
Omnibus Budget Reconciliation Act of 1989 (PL 101-239)	• Provided individuals who continue to be disabled, but who are no longer entitled to DI benefits due to performance at or above SGA, the opportunity to purchase Medicare coverage by paying the HI and SMI premiums.
Medicaid	
Omnibus Budget Reconciliation Act of 1981 (PL 97-35)	• Established means for States to apply for and implement Freedom of Choice and Home and Community based care waivers. • Instituted a three-year reduction in Federal matching percentage
Deficit Reduction Act of 1984 (PL 98-369)	• Expanded coverage to certain pregnant women and young children.
Consolidated Omnibus Budget Reconciliation Act of 1985 (PL 99-272)	• Required States to cover all pregnant women meeting AFDC financial standards.
Omnibus Budget Reconciliation Act of 1986 (PL 99-509)	• Permitted coverage of pregnant women and children up to age 5 (on a phased in basis) meeting a State established income standard as high as 100 percent of poverty. • Established optional Qualified Medicare Beneficiary (QMB) coverage.
Omnibus Budget Reconciliation Act of 1987 (PL 100-203)	• Allowed States to extend coverage to pregnant women and infants with family incomes up to 185 percent of poverty.

Appendix Exhibit A.6 (Continued)

Major Legislation and Reforms Affecting Eligibility and Benefits in Federal and State Social Insurance and Assistance Programs, 1977-1996

Legislation	Provisions
Medicaid (continued)	
Medicare Catastrophic Coverage Act of 1988 (PL 100-360)	• Mandated coverage of pregnant women and infants with family incomes up to 100 percent of poverty. • Expanded coverage of low-income Medicare beneficiaries (QMBs); phased in beginning January 1989. • Established guidelines to prevent "spousal impoverishment".
Family Support Act of 1988 (PL 100-485)	• Extended work transition coverage for families losing AFDC because of increased earnings. • Expanded coverage to include two-parent families eligible for AFDC-UP.
Omnibus Budget Reconciliation Act of 1989 (PL 101-239)	• Mandated coverage of pregnant women and children under age 6 with family incomes up to 133 percent of poverty
Omnibus Budget Reconciliation Act of 1990 (PL 101-508)	• Expanded coverage of low-income Medicare beneficiaries. • Expanded coverage to children whose family income is below 100 percent of poverty. • Instituted home and community-based care services as optional services to functionally disabled Medicaid beneficiaries age 65 and over. • Reformed COBRA continuation coverage allowing State Medicaid Programs to pay for COBRA continuation coverage. • Authorized Medicaid expansion demonstrations to test the effect of providing Medicaid to families with incomes below 150 percent of poverty.
Omnibus Budget Reconciliation Act of 1993 (PL 103-66)	• Declared that a child covered by Medicaid is eligible for private health insurance coverage carried by a non-custodial parent and mandated that States implement laws facilitating access to private coverage for such children.
Food Stamps	
Food Stamp Act of 1977 (PL 95-113)	• Eliminated the purchase requirement and allowed households to receive only the bonus portion of their coupon allotments (Effective January 1979). • Limited income deductions to a standard deduction, a 20-percent earnings deduction, and a limited combined excess shelter and childcare deduction. • Established the poverty guidelines as the new eligibility limits and required AFDC and SSI households to meet asset and income limits. • Tightened work registration requirements for students and for caretakers, whose children were under age 12. • Required parents under age 60 of children aged 12 or older to register for work and lowered maximum age requiring registration from 65 to 60.
PL 96-58	• Restored medical deduction, eliminated in 1977 legislation, for elderly and disabled households.
Omnibus Budget Reconciliation Act of 1981 (PL 97-35)	• Imposed "gross income" eligibility standard. • Lowered earnings deduction to 18 percent.
Food Stamp Amendments of 1982 (PL 97-253)	• Added net income limit for non-elderly and non-disabled households. • Expanded definition of disability to include certain veterans' payments.

Appendix Exhibit A.6 (Continued)

Major Legislation and Reforms Affecting Eligibility and Benefits in Federal and State Social Insurance and Assistance Programs, 1977-1996

Legislation	Provisions
Food Stamps (continued)	
Food Security Act of 1985 (PL 99-198)	• Extended disability definition to include recipients of State SSI payments, government disability benefits, and RR disability payments. • Made households in which all members receive AFDC or SSI categorically eligible for food stamps. • Increased earned income, childcare, excess shelter cost deductions, and asset limits. • Mandated that portion of income received under the Job Training Partnership Act be considered countable income. • Required all States to implement an employment and training program for food stamp recipients by April 1987.
Hunger Prevention Act of 1988 (PL 100-435)	• Extended disability status extended to individuals who receive interim assistance pending the receipt of SSI, Social Security, or State disability payments. • Required States to process food stamp applications jointly with AFDC and GA applications. • Raised dependent care deduction from $160 per household to $160 per dependent.
Omnibus Budget Reconciliation Act of 1990 (PL 101-508)	• Required formation of procedure for a concurrent application for SSI and Food Stamp Programs.
Omnibus Budget Reconciliation Act of 1993 (Mickey Leland Childhood Hunger Relief Act) (PL 103-66)	• Established disregard for earnings of elementary and secondary students aged 21 or younger. • Declared children of drug addicts and alcoholics living in treatment centers eligible for food stamps • Permitted food stamp households participating in demonstration projects to accumulate up to $10,000 in resources. • Raised shelter cap to $231 in July 1994, $247 in October 1995 and eliminated entirely beginning in January 1997 • Raised deduction for care of a child or other dependent under the age of 2 to $200 and $175 for all other dependents • Revised definition of food stamp household to allow adult siblings who live together and adult children who live with their parents to form separate households if they purchase or prepare food separately.
General Assistance	
1981	• Expansions: None • Contractions: District of Columbia, New Hampshire
1982	• Expansions: None • Contractions: None
1983	• Expansions: None • Contractions: Pennsylvania
1984	• Expansions: Minnesota • Contractions: None
1985	• Expansions: None • Contractions: Delaware
1986	• Expansions: None • Contractions: Louisiana, Oklahoma

Appendix Exhibit A.6 (Continued)

Major Legislation and Reforms Affecting Eligibility and Benefits in Federal and State Social Insurance and Assistance Programs, 1977-1996

Legislation	Provisions
General Assistance (continued)	
1987	• Expansions: None • Contractions: Indiana, Kansas, West Virginia
1988	• Expansions: None • Contractions: None
1989	• Expansions: None • Contractions: None
1990	• Expansions: None • Contractions: None
1991	• Expansions: None • Contractions: None
1992	• Expansions: None • Contractions: District of Columbia, Illinois, Maine, Massachusetts, Maryland, Michigan, Minnesota, Ohio, Virginia
1993	• Expansions: None • Contractions: Arizona, Maryland, Montana, Rhode Island
1994	• Expansions: None • Contractions:
1995	• Expansions: None • Contractions: Florida (Dade County), Hawaii, Illinois, Maryland, Minnesota, New Mexico, Ohio, Oregon, Vermont, Wisconsin
1996	• Expansions: Maryland • Contractions: Arizona, Connecticut, District of Columbia, Hawaii, Pennsylvania, Virginia (Fairfax County)

APPENDIX B

SUMMARY OF SPECIFIC WELFARE REFORM EVALUATIONS

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